

A

REVIEW

OF THE

STATE

OF THE

ENGLISH NATION.

Saturday, January 18. 1706.

BUT what's all this to Trade, said a passionate Gentleman in reading the last Review, about the Gentlemen running in Debt to the Tradesmen.

Why really, Gentlemen if I do not make that out, I do nothing; and therefore I lay it down as a stated Rule, that to this one Article of Retail-Credit, we owe almost all the Deficiencies of Trade, Bankrupt Tradesmen, loss of Honour, and ill Compliance with Bills and Payments, on which such great Complaints are heard all over the Nation; and 'tis plain, if it was remedied in one part, it would of Course be help'd in another.

All Trade begins in ready Money, and ought to end so. The first and last Ends of Trade ought to be in Specie; we find the first part of Trade maintains it self in the Demand of ready Money indifferent well:

such as Corn, Cattle, Wool, Metals, and the immediate Produce of the Earth; in the manufacturing part, the first hands they pass thro' are, generally speaking, paid in Specie; the labouring People that depend on every Day's Employ, for every Day's Bread, can give little or no Credit; they can trust no longer than the Belly will trust the hands; the Importunities of which will soon send them to the Master or Employer for their pay, and if they can live till every Saturday night, upon Common Credit of the Victualling-Houses, or extraordinary Husbandry, *which few of them in England especially, are blest with*, 'tis as much as can be expected, from these first Workers of the Manufacture: The Employers Trust the Factors, the Factors the Merchant, and Wholesale-Man, and among them Credit is to be given, till it comes to the Retailer; and

and here all the Credit of Trade ought to end; to give Credit in Retailing the Goods, is the Destruction of Credit, and of Trade it self.

And here let me mark the fatal Circulation of Credit, beginning at this end, and tracing it backward, you will find it the Cause of its own Destruction.

The last Vent of our Manufactures or Provisions, are to the Consumer; if every Man liv'd within the bounds of his Income, whether by Trade, Salary, or Estate, he might pay ready Money for all he wanted; the Pride and Vanity of Equipages; the Luxury of House-keeping, and Extravagances of Expensive Living; as they are the Vices of the Manners, so they are the Vices of Trade. Every Prodigal is a Moth in the Commonwealths; Not as he helps to crowd it with Beggars only, but as he lays the Foundation of National Evils that eat into the Vitals of Trade, and lessen the Publick Prosperity.

And here begins the Chain of these Mischiefs; this Extravagant, let him be of what sort he will, eating the Calf in the Cows Belly, either spending his Income before it come to his hand, or spending more than his Revenue or Profits amount to, brings himself to Destruction in the end; and also wounds Trade, injures the General Circulation, and throngs Trade with Debts, Disasters, and universal Complaints.

The Exorbitance of his Expence he supplies by running into Debt with the Tradesmen, and what his own Revenue will not supply, he makes good out of other Mens Estates; he goes fine at the Cost of the Mercer and Draper, and his Servants eat and drink upon the Butcher and Brewer.

I think I may save my self the Labour of Examining into the Honour of this way of Living; for they that have any sense of Honour upon them, can never do it; but I am upon the end of these things, and they have a double and most certain Effect;

1. Upon the Gentlemen themselves and their Families.

2. Upon Trade.

1. Upon the Gentlemen, spending their Income before they receive it by running in

the Tradesmens Debts, till their Rents, or Sallaries, or Pensions, will refund them; certainly lessens their Income, just as much as the exorbitant Profit the Tradesmen will, and indeed ought to make for Crediting them amounts to; and if Gentlemen would consider how dear they pay for their Credit, and how little the advantage, they would certainly break the Neck of so absurd an Inconvenience.

The most Credit such a Family can expect, suppose it were two Years, the Income of their Estates must then answer year for year; or else they will come under the second Denomination, and entirely ruin themselves; two Years Credit cannot be supposed to enter into their Estates less than one fifth part; if it did, the Tradesman could not live: From hence 'tis plain, That, take two Gentlemen of 500 *l. per Annum*, the one living within Bounds, the other lying 2 Year behind;

The first may live 100 *l. per Annum*, beyond the second; or the first shall live at the same rate as the second, and lay by 100 *l.* every Year towards Childrens Portions; and if he lives 100 *l.* a Year lower, does it with more Reputation to himself and Family: Let us trace the Consequence of this;

In 20 Years the first Gentlemen has liv'd Nobly, passes for a Man of Honour, a good Paymaster; and above all, is a Monny'd Man; has 4 or 5 thousand pound at command; purchases and adds perhaps 200 *l. per Annum* to his Estate; or, if he has a Daughter to marry, pays her Portion upon the Nail, and does handsomely for her, and grows rich insensibly.

Let us view the Reverse; the other Gentleman labours all his Life under the Hatches, is a Drudge to the Mechanicks; his Creditors hang about him at Quarter-Day, just as if they were Landlords; and he the Tenant, if his Tenants happen to Trespass, he is forc'd to strain their Goods, and get the Name of a severe Landlord: If he is forc'd to fail his quarterly Payments, his Servants are huff'd when they go to Market; his Lady slighted at the Shops she buys at; and every thing comes at a double Price: Under these Discouragements; he lives an unhappy mortified Life; hardly enjoys himself; if his Daughters come

to Marry, he can give them no Portions, unless he Mortgages his Estate, and when he Dyes, his Eldest Son stands Charg'd with his Sisters Portions; and so the next Branch of the Family, is always Poorer than the last.

This is an Abridgment of the Difference, between Frugality or Living within Compass, and Inconsiderate, Imprudent and Extravagant Living, or in short, the Rise and Decay of Families.

2. But let us Trace a little, the Effect this has upon TRADE.

Did all our Families of Gentlemen Examine their Prospects, and Proportion their Expence to the Extent of their Estates, or to within the Reach of them, as to lay up a Competent Encrease; they would not only grow Rich themselves, but they would lay the Foundation of a Currency in Trade, that would soon make the whole Nation Thrive, and effectually change the Face of Trade in this Kingdom; and indeed would Help and Enable them to continue the Practice themselves.

1. If the Retail Buyer, thus always Paid Ready Money for what he Bought, the Retail Seller could fall into Decay by no other Distaster, but *want of Trade*, or his own *Extravagance*; and in either Case, he would Merit no Compassion from his Creditor; 1. Because he might easily know, whether his Trade would Support him or no; and 2ly, if he Liv'd beyond the Profits of his Trade, it was a Rape upon his Creditors, and he ought to be Treated accordingly.

2. As he could suffer no Decay, but as above, so it would be a certain Foot of Establishment for him; by which he could so Proportion his Payments, as always to An-

swer his Credit, and maintain an exact Currency of Bills; he would be able, first to Pay Notes, and then to give Notes; his Bills would be as Valuable as a Goldsmith's; and being constantly Paid, they would not be so constantly Demanded. This would be his Unknown Advantage, every Shop-Keeper would be a Bank; his Current Bills would pass from Man to Man, and Universal Punctual Dealing would overspread Trade; the Power of Paper-Credit would prevail to enlarge Trade, Supply the want of Bullion, and Answer every End of Money.

To carry this on, Punctual Payment, built upon a general Suppressing of Retail-Credit, would run thro' every other part of Trade; the Tradesmens Bills being Current, and Time of Payment kept Sacred; the Merchant or Wholesale Traders, would on every Sale, state their Times of Payment, and give Bills; the Merchant with these Bills, buy again of the Factors, and can Export their Cargoes sooner, than in the present Uncertainties; they would always have Cash to Pay Duties, and not be oblig'd to Pawn their Wines to Goldsmiths and Extortioners, nor Discount their Bills at Extravagant Rates, for Ready Money.

The Currency and Punctual Payment of Inland Bills, would have more Effects still; all the Payments for Provisions and other Produce of Land, would yet be more Punctual, Rents would be Paid Currently, and here the Circulation would meet; the Tenant being Enabled to pay his Rent well; the Gentlemen would again be Enabled to perform, the so much desir'd and Honourable Method, of Buying all things with Ready Money, which is the Life and Soud of Trade.

MISCELLANEA.

I Cannot but think it an Honour to this Work, as well as to the Author; that these two Volumes have been begun with so extraordinary a Work, as that of Chri-

stian Charity, and Compassion for the Poor.

In the beginning of last Year, a certain Unknown Gentleman, lent to me to know my